

Name:
Enrolment No:



UNIVERSITY OF PETROLEUM & ENERGY STUDIES
End Semester Examination (Online) – Dec, 2020

Program: BBA(FT)

Semester: 3rd

Subject/Course: Managing Trade and Risk in International Business

Max. Marks: 100

Course Code: BBA FT 102

Duration: 3 Hours

SECTION A

1. Each Question will carry 5 Marks

2. Instruction: Complete the statement / Select the correct answer(s)

S.No.	Questions	CO
Q1.	Give an example of Compliance risk management.	CO3
Q2.	a. _____ is a theory that foreign direct investment is made by firms in industries with relatively few competitors, due to their possession of technical and other advantages over indigenous firms. b. _Historically, foreign direct investment has followed _____. c. Regarding the nations and regions from which FDI originated, the _____ invest primarily in one another, just as they trade more with one another. d. The purchase of sufficient stock in a firm to obtain significant management control is known as _____. e. _____ is a measure of how a nation's income is apportioned among its people.	CO4
Q3.	State 'True' or 'False' – a. Policy continuity and government stability are more important to a business than the type of political system. b. When government-owned companies compete with private companies, the private companies have the advantage. c. Microsoft is an example of how a company can avoid multiple antitrust laws in multiple jurisdictions, thanks to equalization agreements. d. To what degree a country's legal system is based on the rule of law makes no difference to international business; it is personal relationships that matter in foreign environments. e. In the Bretton Woods system, the only currency redeemable for gold was the U.S. dollar	CO3
Q4.	What is Purchasing Power Parity?	CO2
Q5.	Write a short note on Credit Risk.	CO1
Q6.	Strict liability requires A. no proof of the manufacturer's negligence. B. the manufacturer knows that the design or manufacture is inferior. C. the buyer to take risks on the purchase of a newly designed product. D. responsibility for the product throughout its life cycle.	CO3

SECTION B

1. Each question will carry 10 marks

2. Instruction: Write short / brief notes

Q7.	Discuss the arguments supporting and opposing globalization of trade and investment.	CO1
Q8.	Identify and discuss the five major kinds of drivers that are leading international firms to the globalization of their operations.	CO1
Q9.	Discuss the three environments in which an international company operates.	CO2
Q10.	Discuss the keystone of international trade, the theory of comparative advantage.	CO3
Q11.	Discuss the advantages of focusing attention on a nation that is already a sizable purchaser of goods coming from the exporter's home country.	CO2

Section C

1. Each Question carries 20 Marks.

2. Instruction: Write long answer.

Q12.	Why is Culture so important? And how Culture Affects All Business Functions. Discuss.	CO2
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ANSWERS